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EXAMINER

26M1/1009

JOHN F SUTTON
BRYAN HINSHAW COHEN & BARNET
425 CALIFORNIA STREET SUITE 900
SAN FRANCISCO CA 94104

ART UNIT	PAPER NUMBER
2601	16

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This is a communication from the examiner in charge of your application.
COMMISSIONER OF PATENTS AND TRADEMARKS

OFFICE ACTION SUMMARY

☒ Responsive to communication(s) filed on 9/8/97

☐ This action is **FINAL**.

☐ Since this application is in condition for allowance except for formal matters, **prosecution as to the merits is closed** in accordance with the practice under *Ex parte Quayle*, 1935 D.C. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire 3 month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

Disposition of Claims

☒ Claim(s) 1–13 and 18–20 is/are pending in the application.
Of the above, claim(s) _____ is/are withdrawn from consideration.
☐ Claim(s) _____ is/are allowed.
☒ Claim(s) 1–13 and 18–20 is/are rejected.
☐ Claim(s) _____ is/are objected to.
☐ Claim(s) _____ are subject to restriction or election requirement.

Application Papers

☐ See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.
☐ The drawing(s) filed on _____ is/are objected to by the Examiner.
☐ The proposed drawing correction, filed on _____ is ☐ approved ☐ disapproved.
☐ The specification is objected to by the Examiner.
☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. § 119

☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

☐ All ☐ Some* ☐ None of the CERTIFIED copies of the priority documents have been

☐ received.
☐ received in Application No. (Series Code/Serial Number) _____.
☐ received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

*Certified copies not received: _____.

☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e).

Attachment(s)

☒ Notice of Reference Cited, PTO-892
☐ Information Disclosure Statement(s), PTO-1449, Paper No(s). _____
☐ Interview Summary, PTO-413
☐ Notice of Draftperson's Patent Drawing Review, PTO-948
☐ Notice of Informal Patent Application, PTO-152

--SEE OFFICE ACTION ON THE FOLLOWING PAGES--

DETAILED ACTION

This office action is divided into two parts: part A which is titled "The Issues" and part B which is titled "History of Prosecution."

Part A: THE ISSUES

Claim Rejections - 35 USC § 112

1. Claims 1 - 13 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention.

In claims 1 and 10, the language is confusing because it implies that the system originates a call to the subscriber while the subscriber is attempting to connect to the system. In claim 10, line 5, "subscriber" should be --the subscriber-- or --said subscriber--.

Claims 2-9 and 11-13 are rejected because they depend from rejected claims 1 and 10.

In claim 5, line 9, "said number" is indefinite.

In claim 13, the language regarding "assigning" the DID number to a subscriber station and "retrieving the stored said direct inward dial number assigned to that subscriber" is confusing because it is unclear whether the DID is "assigned" to the subscriber station or the subscriber. Further "assigning" the DID to a station means that the station will be called by using the DID. This is not the case in claim 13. The DID is the number dialed by the authorized calling subscriber. Further, the step of "retrieving the stored said direct inward dial number assigned to

that subscriber" is vague because the DID is first received from the exchange (not retrieved from storage).

Claim Rejections - 35 USC § 102 and 103

2. Claims 1 - 3 are rejected under 35 U.S.C. 102(b) as being anticipated by **Kahn et al** (US Patent 4,086,438).

Kahn et al discloses an automatic interconnection telephone system 30 ("central location") for answering incoming calls and connecting the calling party/subscriber to an outgoing line for making an outgoing call(s). The subscriber calls the telephone system and provides a security code which will be compared with stored codes by security code circuit 200 to verify the identity of the subscriber. Entering the security code into the system by the subscriber is read as placing "a signal containing data uniquely identifying the subscriber" (claim 1). The reference teaches that the subscriber can hang up and then the telephone system can initiate a call-back to the subscriber after which a dial tone will be provided to him or her to enter the telephone number of a desired called party to establish an outgoing call(s) using the telephone system. See abstract and col. 2, line 48 - col. 3, line 6.

For claims 2 and 3, the reference teaches transmitting an audio signal ("audio message") to inform the subscriber that he has reached the system 30. The reference also teaches the use of a timer 121 for allowing the calling party to provide the security code within 15 seconds

("predetermined period of time"). If the calling party does not enter a code within the 15-second period, the system will disconnect the calling party from the system (see col. 27, lines 26-39).

3. Claim 4 is rejected under 35 U.S.C. 103(a) as being unpatentable over **Kahn et al** (US Patent 4,086,438).

For claim 4, the reference does not suggest informing the calling party of the favorable comparison (i.e., confirmation), however, confirming that a security code provided by the calling party is valid is notoriously well known in the art. Usually, a message such as "Thank you" or "thank you for using ..." is provided to the calling party as confirmation of entry of a valid code. As a matter of fact, the above confirmation is necessary to let the calling party know if he enters the wrong code.

4. Claims 1 - 4 and 6 - 12 are rejected under 35 U.S.C. 103(a) as being unpatentable over **Kahn et al** (US Patent 4,086,438) in view of **Billinger et al** (US Patent 4,769,834).

For independent claim 1, in the above rejection under 35 USC 102(b), the claimed "signal containing data uniquely identifying the subscriber" can be read as the calling party/subscriber manually entering the security code into the telephone system to identify the calling party as a subscriber. While not recited in claim 1, if the above signal is provided automatically without the calling party providing manual entry, then this would read on the use of the well-known Automatic Number Identification ANI feature as disclosed, for example, by **Billinger et al.** The

ANI is also read as the "signal ... transmitted by said exchange" (claim 10). The **Billinger et al** reference explicitly teaches the use of information provided automatically by the telephone company such as the ANI to eliminate the need for the calling party to dial an authorization code. The ANI information is used by the telephone company to automatically inform the system of the identity of the calling party. Using the ANI instead of authorization code means that the calling party can be identified without answering the call (free call). Also, using the ANI provides advantages such as speed, accuracy and convenience because having the calling party manually enter his number may cause a delay and sometimes the calling party may make a mistake while entering the number. In general, providing a number automatically is preferred over providing the number manually. Again, the calling party can be identified without having the calling party pay for the call.

Thus, while updating the **Kahn et al** system (filed in March 1977) to meet the current well known technological standards as disclosed in **Billinger et al**, it would have been obvious to utilize the information provided automatically by the telephone company such as the ANI information to automatically identify the calling party.

For claims 2 and 3, in the combination of references, the system will verify the identity of the calling party by using the ANI and without answering the call and then the system will callback the subscriber. Thus, obviously, the subscriber is expected to let the system ring for a short period of time and then hang up. If the system continues to receive ringing signals for a predetermined period of time (e.g., 10 rings), obviously the calling party is either not a subscriber

or a new subscriber that is not very familiar with the system. Obviously the system should provide the calling party with an appropriate informative message and advise him or her to terminate the connection attempt (e.g., "You have reached ..... please ... ") because this calling party would unnecessarily tie up an incoming line.

For claim 6, obviously (if not inherently), the subscriber's usage of the system should be determined for billing purposes.

For claims 7 - 9, **Kahn** teaches (col. 33, line 65 - col. 34, line 6) that if the calling party encounters a busy or no-answer ("failure of the third party to answer the call attempt"), the calling party may make another call without hanging up by simply pressing the "*" button on his dual tone multi-frequency DTMF telephone. The DTMF tone represented by the "*" button is detected by tone detector 301 (Fig. 10). The reference does not suggest the use of means for informing the caller of his options, however, messages such as "you may press * to dial another number" and the like are notoriously well known in the art and it would have been obvious to use a well known Voice Response Unit VRU for advising the calling party of the available options.

For claims 11 and 12, systems are expected to keep the calling party/subscriber informed of the progress of the call by using the well known Voice Response Unit VRU to provide audio messages. Messages such as "the number you have entered is invalid," "please hang up ....," etc. have been used for many years and it would have been obvious and necessary to keep the calling party informed of the progress of the call attempt. No one expects silence from a system which

processes different telephone calls and interconnects different parties together. The arguments presented above for claim 2 apply to claim 12.

For claim 4, the **Billinger et al** reference teaches (col. 3, lines 33-47) that the identity of calling party may be verified by using the ANI information only or the ANI and the authorization code. The reference teaches that the system requests information such as the authorization code from the calling party. In the combination of the reference, confirming to the calling party that a valid authorization code was received would have been obvious and necessary.

5. Claims 1 - 13 and 18 - 20 are rejected under 35 U.S.C. 103(a) as being unpatentable over **Kahn et al** (US Patent 4,769,834) in view of **Curtin** (US Patent 4,672,660) and/or **Examiner's Exhibit B**[1]

While not clearly recited in claims 1, 10 and 18, language regarding the signal .... identifying the subscriber (claims 1 and 10) and "subscriber calls the service center using the

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[1]Examiner's Exhibit B :
(a) Telecom Markets Newsletter titled "Resale entrepreneurs will find life tough with the carriers" (April 1, 1993),
(b) Network World Journal titled "Callback services offer users steep discounts" (June 21, 1993),
(c) The New York Times titled "Hot-Wiring Overseas Telephone Calls" (January 9, 1992),
(d) Business Week titled "Rome to Bonn via New Jersey" (April 13, 1992).
(e) Business Week titled "How Overseas Callers Can Get Stateside Rates" (December 2, 1991).
(f) The telephony Journal article titled "You can't beat the Price" (March 20, 1995).
(g) Communications week International titled "Telecoms discounters call on Asia"(June 14,1993).
(h) The International Callback Book, © 1995.

assigned identifier" (claim 18) may be interpreted as using the direct inward dialing **DID**. This limitation is recited in claims 5, 13 and 19.

Again, to identify the calling party/subscriber, **Kahn et al** (filed in March 1977) uses the authorization code which is manually provided by the subscriber. The system will verify the identity of the caller based on the security code. The "system" in **Kahn** is read as the claimed "system" (claim 1), "telephone exchange" (claim 10) or "service center" (claim 18). **Kahn** does not suggest the use of the DID information to identify the calling party.

On one hand, the use of the DID is notoriously well known in the art, shown by many cited references and also admitted by Applicant on page 9 of the amendment filed 9/8/97. The DID provides for intelligent processing of the call. The references cited in Examiner's **Exhibit B** provide **evidence** that one of ordinary skill in the art would obviously have used the DID information for callback services[2].

On the other hand, **Curtin** explicitly teaches the use of the DID information which is provided automatically by the telephone company to the system to identify the calling party without answering the call (see abstract). The "system" in **Curtin** comprises switching matrix, microprocessor and memory which are used to identify the calling party by using the DID information. Under description of the prior art in col. 1, lines 16-44, **Curtin** states that the use a

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[2]Material that is not technically prior art, such as articles submitted in Examiner's Exhibit B, can be relied upon as **evidence** of the skill level in the art as of about the date of the invention even if the articles were published at a later date. *Gould v. Quigg, 3 USPQ 1302 (Fed. Cir. 1987)* and *Ex parte Erlich 22 USPQ2d 1463* (BPAI 1992).

code manually provided by the calling party to identify the calling party in some prior art systems is disadvantageous and undesirable for different reasons. Instead, **Curtin** teaches the use of the Direct Inward Dialing DID feature to "automatically", "easily" and "rapidly" identify the calling party without answering the call and without the need for the calling party to manually enter a code (see col. 1, lines 39-44, col. 2, lines 61-65). Using the DID feature as taught by **Curtin** in the **Kahn et al** system will eliminate the need for the calling party to manually dial an authorization code as clearly suggested by **Curtin**. Using the DID as suggested by **Curtin** to identify the calling party (instead of authorization code) means that the calling party in **Kahn et al** can be identified without answering the call (free call). Utilizing the DID also provides advantages such as speed, accuracy and convenience because having the calling party manually enter his or her number may cause a delay and sometimes the calling party may make a mistake while entering the number. In general, providing a number automatically is preferred over providing the number manually. Further, the calling party can be identified without having the calling party pay for the call.

Thus, modifying the 1977 **Kahn et al** system (which uses a code manually entered by the calling party in order to identify the calling party) by replacing the manual entry of a code with the automatic DID as clearly and positively suggested by **Curtin** and/or Examiner's Exhibit B would have been obvious for the reasons discussed in detail by **Curtin** and also to provide convenience, speed and accuracy. In the combination, the calling party will not need to enter his security code and his telephone number. Obviously, the system in the combination identifies the calling party

(e.g., call from John Smith requesting service), the system would have to call him back. Obviously, the system would have to have his number stored in order to call him back.

For claims 2 and 3, in the combination of references, the system will verify the identity of the calling party by using the DID and without answering the call and then the system will callback the subscriber. Thus, obviously, the subscriber is expected to let the system ring for a short period of time and then hang up. If the system continues to receive ringing signals for a predetermined period of time (e.g., 10 rings), obviously the calling party is either not a subscriber or a new subscriber that is not very familiar with the system. Obviously the system should provide the calling party with an appropriate informative message and advise him or her to terminate the connection attempt (e.g., "You have reached ..... please ... ") because this calling party would unnecessarily tie up an incoming line.

For claims 4 and 5, while combining the two references, one may use the DID only or the DID and an authorization code for added security. Informing the calling party that a valid security code was entered would have been obvious and necessary.

For claim 6, obviously (if not inherently), the subscriber's usage of the system should be determined for billing purposes.

For claims 7 - 9, **Kahn** teaches (col. 33, line 65 - col. 34, line 6) that if the calling party encounters a busy or no-answer ("failure of the third party to answer the call attempt"), the calling party may make another call without hanging up by simply pressing the "*" button on his dual tone multi-frequency tone DTMF telephone. The DTMF tone represented by the "*" button

is detected by tone detector 301 (Fig..... 10). The reference does not suggest the use of means for informing the caller of his options, however, messages such as "you may press * to dial another number" and the like are notoriously well known in the art and it would have been obvious to use a well known Voice Response Unit VRU for advising the calling party of his options.

For claims 11 and 12, systems are expected to keep the calling party/subscriber informed of the progress of the call by using the well known Voice Response Unit VRU to provide audio messages. Messages such as "the number you have entered is invalid", "please hang up ....", etc. have been used for many years and it would have been obvious and necessary to keep the calling party informed of the progress of the call attempt. No one expects silence from a system which processes different telephone calls and interconnects multiple parties. The arguments presented above for claim 2 apply to claim 12.

For claim 20, **Kahn et al** teaches that the calling party can enter the telephone number of one or more parties to establish a conference call. See for example, column 3, lines 3-6.

6. Claims 1, 10, 13 and 18-20 are rejected under 35 U.S.C. 102(a) as being anticipated by the **IDT** international callback services as described in one or more of the New York Times article titled "Hot-Wiring Overseas Telephone Calls" (January 9, 1992), Business Week article titled "Rome to Bonn via New Jersey" (April 13, 1992), Business Week article titled "How Overseas

Callers Can Get Stateside Rates" (December 2, 1991) and Applicant's admission[3] on pages 3-4 of the specification that the IDT is prior art.

The effective filing date for this application is 4/24/92.

A subscriber can call the IDT machine in the U.S. from a foreign country, hang up before the machine answers and wait for the IDT machine to call him or her back. The IDT machine will call the subscriber back and provide him or her with a second line so he or she can make outgoing calls utilizing the IDT machine and thus pay at US rates. The IDT machine calls the subscriber back by using the DID number which was dialed by the subscriber. Each subscriber has his or her own unique DID number.

• The article titled "Rome to Bonn via New Jersey" (April 13, 1992) states that a subscriber can call the IDT machine in the U.S. from a foreign country, hang up and wait for the IDT machine to call him/her back so that the subscriber can make outgoing calls utilizing the IDT machine and thus pay at US rates.

• The article titled "How Overseas Caller Can get Stateside Rates" (Dec. 2, 1991) states that an overseas subscriber can call the IDT machine in the U.S. and hang up before it answers. Then the IDT machine calls back the subscriber and provides him/her with a second line to make outgoing calls.

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[3]It was held that any statement by Applicant in the application that a certain matter is "prior art" to him, is an admission that the matter is prior art for all purposes, whether or not a basis in 35 USC 102 can be found for its use as prior art. *In re Nomiya, 184 USPQ 607.*

• In the specification (pages 3-4), Applicant admits that in the above IDT **Prior Art** system,

> *"an input line is dedicated to a particular user. That is for each subscribing user there is a unique dedicated input line. When the user calls into the system on that line, typically allowing it to ring once, the system employs an autodialer configuration to call the user who responds by entering the desired [destination] number. The system dials that [destination] number on another line then bridges the user with it upon response by the called party."*

For claim 1, the IDT machine is not shown to contain the claimed "means" such as "storing means" and "means for bridging", however, such components are inherent in the IDT machine. For example, the machine inherently has to have means for storing the "signal .... identifying the subscriber" (DID) and the subscriber and the third party inherently have to be connected by "means for bridging" the communication.

Applicant's 131 declaration is insufficient to overcome the above rejection as discussed in detail below.

7. Claims 1 - 3, 6 - 13 and 18 - 20 are rejected under 35 U.S.C. § 103(a) as being unpatentable over the IDT international callback services as described in one or more of the New York Times article titled "Hot-Wiring Overseas Telephone Calls" (January 9, 1992), Business Week article titled "Rome to Bonn via New Jersey" (April 13, 1992), Business Week article titled "How Overseas Callers Can Get Stateside Rates" (December 2, 1991) and Applicant's admission on pages 3-4 of the specification that the IDT is prior art.

As discussed above, while the IDT machine performs the functions of the claimed invention, the IDT machine is not shown to contain specific components such as the claimed

"means for bridging ...", "means storing ..." and telephone exchange. If the use of the above components was not inherent, then it would be extremely obvious for one of ordinary skill in the art to utilize a telephone exchange and bridging means for connecting the subscriber and the third party and utilize "means storing ..." for storing the DID numbers.

For claims 2 and 3, a subscriber is expected to let the IDT machine ring once or twice and then hang up. If the IDT machine continues to receive ringing signals for a predetermined period of time (e.g., 10 rings), obviously the calling party is either not a subscriber or a new subscriber that is not very familiar with the system. Obviously the system should provide the calling party with an appropriate informative message and advise him or her to terminate the connection attempt (e.g., "You have reached ..... please ... ") because this calling party would unnecessarily tie up an incoming line.

For claim 6, obviously (if not inherently), the subscriber's usage of the system should be determined for billing purposes.

For claim 7, this is a well-known feature offering the subscriber other options when the call cannot be completed (e.g., third party is busy or does not answer). Many examples such as "the number you have dialed is ....., please ....." exist in the art of telephonic communications and the advantages of such features are notoriously well known in the art.

For claim 8, this may simply read in the subscriber hanging up.

For claim 9, many telephone systems such as voice mail, Automatic Call Distributors ACDs used for telemarketing, ... etc. give the caller options such as "to end this call, press *". The "*" sign or any other chosen number is a dual tone multifrequency DTMF signal. Again, this is a well-known feature.

For claims 11 and 12, systems are expected to keep the calling party/subscriber informed of the progress of the call by using the well known Voice Response Unit VRU to provide audio messages. Messages such as "the number you have entered is invalid", "please hang up ....", etc. have been used for many years and it would have been obvious and necessary to keep the calling

party informed of the progress of the call attempt. No one expects silence from the IDT machine which processes multiple calls and interconnects multiple parties. For example, no one expects silence from the IDT when he or she dials a wrong number such as a DID number that has not been assigned yet. The arguments presented above for claim 2 apply to claim 12.

8. **The declaration under 37 CFR 1.131 is insufficient to overcome the rejections based on the IDT machine**.

- The declaration was filed June 18, 1997 without any exhibits. The exhibits were faxed to Examiner on August 7, 1997.

Regarding the date of **conception**, on page 2 of the declaration (item # 5) and Exhibit 1, it is clear that Applicant applied "*to resell switched message telephone services of existing common carriers to provide international switched voice service between the US and various overseas points*". There is no mention of the "call-back" feature whatsoever. As a matter of fact, there is no mention of any claimed feature whatsoever in Exhibit 1. Many companies resell international calling services (such as credit card calling, pre-paid card calling, direct international calling, voice mail, fax, ... etc.) between the U.S. and various overseas points. A company need not invent anything to resell international services. The most common international service provided by many companies is direct dialing (may sometimes require dialing an access code) of international calls. For example, one can call (one direction) from the US to France through the companies which resell international services. Thus, Applicant's Exhibits 1, which has no reference whatsoever to any claimed feature, fails to support Applicant's statement regarding the conception of the claimed invention prior to March 21, 1990. The FCC application cannot support the conception of the claimed invention.

Regarding the date of **reduction to practice**, Applicant's Exhibit 2 shows a letter from Mr. Alleman to Mr. Gunther. The letter shows that Mr. Alleman is having problems with "the router" and that he will continue to monitor "the router". It is unclear what "the router"

is. No sketches, description or blue prints of "the router" have been provided. No sketches, description or blue prints of the claimed invention have been provided. On page 2 of the declaration (item 6), it appears that Mr. Alleman was not in position of the needed software to make the invention compatible with the telephone equipment. The letter in Exhibit 2 clearly states "We now need to move forward on the DID software" and repeatedly uses "should" and "should be". Mr. Gunther is the programmer who was retained by Mr. Alleman to write software for the claimed invention. If the claimed invention was already reduced to practice, what is the purpose of the Exhibit 2 letter from Mr. Alleman to the software programmer? Page 5 of the declaration (item # 23), which states that Mr. Gunther completed the software by **September 1990** and that Mr. Alleman was searching for a vender to prepare the complete system, is a clear indication that the claimed invention could not have been reduced to practice before **June 27, 1990**.

In order to reduce Applicant's claimed invention to practice, apparently Applicant needed the required software which was completed by Mr. Gunther in September 1990 and hardware which was "completed" by Call Interactive on April 25, 1991. The current declaration is silent regrading the functionality and operability of the product provided by Call Interactive and the interaction between the software and the hardware.

Exhibit 5, which refers to a "System for Telecommunication **Marketing**", states that an invention, in Mr. Holloway's opinion, was discovered and reduced to practice by Mr. Alleman and that further work will be done on Mr. Alleman's discovery.

Further, there appears to be some discrepancies between the current 131 declaration and the 131 declaration submitted by Mr. Alleman in the parent application 08/252,984 ('984). It is noted that some Exhibits which were presented in the '984 application such as Exhibits F, G and H have not been included in the current application. On pages 3 and 4 of the '984 declaration, Mr. Alleman states that:

"This experimental period [April 1990 until April 25, 1991] was termed

"beta" testing as shown in the attached Exhibit F and in spite of optimistic predictions of its conclusion, the present invention continued to be non-functional well past the 'live' operation date with Call Interactive.

As such, the present invention was not yet reduced to practice until it could be demonstrated to function properly. As evidence of this non-functioning and poor functioning, the following exhibits are entered:

Exhibit G: A memorandum from Kent Parkinson of Call Interactive to Tom Thomson and John Killion describing the subscriber file format for the system. The system was not fully operational and still required definition at this date [March 27, 1991].

Exhibit H: A letter to Mr. Theo Brunner dated December 16, 1991 indicating Paragon's attempts to correct failures in Mr. Brunner beta site operation."

Thus, Applicant's statements in the current declaration regarding the reduction to practice before June 27, 1990 appear to be inconsistent with his statements and exhibits in the '984 declaration. For all the reasons discussed above, the evidence submitted is insufficient to establish a reduction to practice of the invention in this country prior to the date of the IDT international callback services.

Again, the evidence as a whole contains no sketches, blue prints, notes, records of meetings .... etc.

In addition to the above reasons, (a) Applicant admits on pages 3 and 4 of the specification that the IDT machine is prior art and (b) references cited by Examiner including those in Examiner's Exhibit B show that the IDT callback machine has been actually used in the US in or before 1990. The IDT machine is, indeed, prior art. For example:

• The Telecom Markets Newsletter (August 19, 1993) clearly states that:

*"more than 20 companies have started international call-back services in the last three years [1990 - 1993]" and that "Viatel and International Discount Telecommunications (IDT) ... are the oldest call back providers.... Both started providing call back services in **1990**."*

• The Telecommunication markets Newsletter (April 1, 1993) states that:

*"The most successful operator of a call-back service is a US company, International Discount Telecommunications (IDT). A user calls from his country to IDT in New York, hangs up ..... In **1991**, ... it [IDT] was worth about GBP 20 million."*

• Network World journal (June 21, 1993) discusses the wide spread of the "international call-back services" and states that:

*"The [international callback] market was pioneered by International Discount Telephone (IDT) ... which started service in **1990**".*
"Call back works quite simply. A caller in a foreign country dials ....".

• The IDT home page on the Internet titled "IDT: The First Five Years" shows that IDT started providing services in 1990.

• The Economist article titled "International telephone calls, The Privateers" (September 12, 1992) explains how "third-country calling" is accomplished and states that the 2 ½ -year-old IDT provides the "third country calling" service.

• The international Callback book © 1995, states that the international call back services initially used the DID numbers and operators and then automated the services to work without operators. The book (page 16) states that:

Subscribers wanting service could call a Direct Inward Dialing Number, let it ring two or three times and hang up. This unanswered call was not billed to the subscriber. This is a crucial issue .... Operators sitting at a console could see the ringing, and would look up the DID number. (Actually the equipment did this automatically). They would then place a return call [call back] to the subscriber

and handle their request for service ....

*A few years later in **1991** and **1992**, companies such as Viatel and International Discount Telephone [IDT] and Telatlantic automated the process. At that time operators were eliminated, and PC based equipment saw the DID call request, looked up the subscriber information in its database, placed a return call and handled the subscriber request without human intervention."*[4]

9. **The Declaration under 37 CFR 1.132 filed August 28, 1997 is insufficient to overcome the rejections.**

Note that the declaration cannot be used to overcome rejections under 35 USC 102.

The above 103 rejections represent a clear and positive *prima facie case* of obviousness and the declaration is insufficient to overcome the rejections.

The references cited by including Examiner's Exhibit B show that many companies such as IDT, Viatel and others started using the callback feature prior to Applicant's effective filing date, thus the commercial success is not based on Applicant's contribution to the industry and Applicant's claimed invention.

The Teleconnect Magazine article refers to dozens of different companies and different callback services including different techniques such as the use of X.25, the Internet, speed dial, voice mail, debit cards, multilingual voice prompts, packet network messages, remote access by subscriber for retrieval of billing information, comparing the cost of local calls and callback calls, ... etc. The above techniques, which contribute to the success of the call-back feature, are different from the claimed invention. Also, the magazine refers to *"first generation of callback systems (manual dial-in, hang up, wait, answer, dial, etc.)"* and more sophisticated callback technologies. The activities of the dozens of companies that provide the call back feature such as

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[4]In different interpretations, it appears that Applicant's claimed invention is basically equivalent to automating the International Callback service which was provided by IDT a few years before 1991 and 1992 and which used the DID and operators. In re Venner, 120 USPQ 192 (CCPA 1958).

promotions, discounts, advertizement campaigns may also contribute to the success of the "international call back" industry. Thus Applicant's allegation that the commercial success is due to his claimed invention is unsupported and contrary to the Teleconnect Magazine. No nexus whatsoever has been established between the industry's "commercial success" and Applicant's claimed invention. A nexus is required to be established between the merits of the claimed invention and the evidence of the secondary considerations if it is to be given substantial weight in an obviousness conclusion. *Stratoflex, Inc. v. Aeroquip Corp., 218 USPQ 871 (Fed. Cir. 1983).* Commercial success is relevant only if it flows from the merits of the claimed invention, not if it flows from an unclaimed invention. Where do the claims recite using the Internet which is discussed in the Teleconnect Magazine? Where do the claims recite using speed dial, voice mail, debit cards, multilingual voice prompts, packet network messages, remote access by subscriber for retrieval of billing information or comparing the cost of local calls and callback calls? The claims do not even recite "**international** calls" or "**international** callback"? The names of Applicant or his company do not even appear in the Teleconnect Magazine. Also, Applicant has failed to provide any information on his company's **market share**. *In re Baxter Travenol Labs., 21 USPQ2d 1281 (Fed. Cir. 1991).* While considering the market share, it should be emphasized again that there are hundreds of international callback companies which use features that are not claimed by Applicant. See, for example, the Yahoo Internet Search reference which provides a lengthy list of some of the international callback companies which provide features such as pre-paid cellular service, debit calling cards with fax/voice mail, international mobile callback services, Internet, ISDN, international callback initiated via the web, long distance call back services ... etc. Thus, Applicant's market share due to using Applicant's claimed invention has not been determined. Again, the claims are not drawn to "international callback". For example, claims 1 - 13 may be related to making local calls from a pay phone to avoid using coins and paying the relatively high pay-phone rates. The scope of claims 18-20 is related to "*long distance telephone costs*". For example, the subscriber, called party and the "system" may all be

in the US and the subscriber calls the system from a local pay phone in order to use the system to make long distance calls from the pay phone via the system to avoid the relatively higher pay phone rates and avoid using coins or calling cards. Also, the subscriber may be at a different time zone (e.g., California) from the system (e.g., New York) and the subscriber may use the system to pay the cheaper rates (e.g., night rates). Also, see Kahn et al, column 10, lines 14-23. There is nothing **international** about the claimed invention. It is noted that a portion of column 2, page 82 of the Teleconnect Magazine has been erased and Applicant has failed to provide a clear copy or even provide comments or explanations.

Finally, the International CallBack book explains that hundreds of international callback companies have been using many different features such as the use the Basic Callback process (page 44), Basic Call Through using 800 numbers (page 53), X.25 virtual circuit (page 60), the X.25 Call Request (page 62), Time Shifting (page 67) which are different from the claimed invention. It appears that only the Basic Callback Process is relevant to the claimed invention. The book also explains that the International Callback industry provides other features such as the use of the Integrated Services Digital Network ISDN (page 65), paging (page 56), voice mail (page 136), speed dialing (page 149), fax store and forward (page 150), multiple languages (page 136) ..... etc..... etc. The above features are not recited in the claimed invention. Thus, stating or even implying that the billion-dollar international callback industry is using Applicant's claimed invention is untenable and contrary to the evidence provided by Applicant (the Teleconnect Magazine) and Examiner (the International CallBack Book).

Response to Arguments

10. Applicant's arguments filed 9/8/97 have been fully considered but they are not persuasive.

All Applicant's comments regarding the history of prosecution will be addressed separately under the proper header "History of Prosecution". In this section, Examiner will only

address Applicant's arguments regarding the issues. Anyway, the article is not used for art rejection.

As for the Economist article, Examiner believes that the article which explains how "third-country calling" is accomplished and that the 2 ½ year old IDT company provides "third-country calling" should be given weight when considered together with all the other corroborating references cited by Examiner including Examiner's Exhibit B.

Since the claims in this application are not exactly the same as the claims in the appeal case, the art rejections in this application are, appropriately, different from those in the appeal case. For example, new claims 1 - 3 are rejected under 102(b) over Kahn et al. The claims and rejections in the appeal application should not be confused or intermixed with the claims and rejections in this application. Applicant changed the scope of the claims and Examiner, appropriately changed the rejections. Thus, Applicant's comments that Kahn did not anticipate the claims in the parent appeal and Kahn now anticipates some claims in this application are totally irrelevant because the claims are not the same. Applicant's arguments should address the limitations in the current claims and should not intermix two different sets of claims.

Applicant's arguments regarding the "cost" in Kahn are irrelevant to claims 1 - 3 which are rejected based on Kahn only. The claims do not recite any limitation regarding whether the call is answered or not. Applicant appears to be reading the general and very broad title of the invention "optimizing service economy" into the claims. First, the title of the invention is different from the claims' limitations. Second, even if the subscriber's initial call is answered by the system and the subscriber is charged for only the initial answer (e.g., one minute), the call back feature does indeed "optimize service economy" because the subscriber can make multiple calls, conference calls or even one lengthy long distance call via the system. This definitely means

"optimizing service economy". See another example in column 10, lines 14-23 in Kahn et al. Third, the 103 rejections which combine Kahn with other references, explain that the subscriber's call to the system would not be answered. Instead of addressing the title of the invention and unclaimed features such as the "cost", Applicant is encouraged to address the specific limitations of the claims.

As for Applicant's arguments regarding the use of ANI with international calls, this is irrelevant because none of the claims recite "international calls". Applicant's repeated use of the term "international call back" is improper and irrelevant because the claims do not recite this term. Again, whether the ANI is available overseas or not, has nothing to do with the claimed invention which does not recite "overseas call" or "international calls". As a matter of fact, claim 18 recites "long distance telephone costs" while Applicant continues to refer to "international call back" in his arguments. Again, Applicant is encouraged to address the specific limitations of the claims. Furthermore, it is noted that the ANI is used in one of the embodiments in Applicant's specification and that some claims are written in a broad manner which covers the use of the ANI.

Regarding the rejection over Kahn and Curtin, Curtin specifically teaches improving systems such as the one disclosed by Kahn which require manual entry of a code and specifically teaches replacing the manual entry with the automatic DID information which does not require answering the call. The rejection follows exactly the teachings of Curtin to modify the Kahn system. On page 9 of Applicant's response, it appears that Applicant misinterprets the art rejection and then reaches a conclusion that the misinterpreted art rejection is "ridiculous". In Curtin, it is the system that would analyze the DID information to identify the caller. In Kahn, it is the system that analyzes the code to identify the caller. In the combination, the system would use the DID information (as taught and specifically suggested by Curtin) so that the system would verify the identity of the calling party by using the DID information. The identity is verified

during the subscriber's call to the system not during the call back from the system to the calling party as erroneously interpreted by Applicant.

On page 9, Applicant argues that if the combination were so obvious, why did no one in the prior art disclose it. The fact that no one has gotten a patent on this specific combination does not necessarily mean that it is not obvious. It merely means that no one has gotten a patent on this combination. The reason why might be, simply, because the combination is obvious. To further support that the combination is, indeed, obvious, hundreds of companies all over the world have been using the combination for many years (see references cited by Examiner including Examiner's Exhibit B). It would be extremely difficult for Applicant to argue that hundreds of companies all over the world have been using, for a number of years, a combination that is unobvious. This is evidence that the combination (and the claimed invention) is indeed obvious. Applicant is advised that material that is not technically prior art, such as all the articles submitted by Applicant and Examiner, can be relied upon as evidence of the skill level in the art as of about the date of the invention even if the articles were published at a later date. *Gould v. Quigg, 3 USPQ 1302 (Fed. Cir. 1987) and Ex parte Erlich 22 USPQ2d 1463 (BPAI 1992).* The articles provide evidence that the combination would have been obvious to one of ordinary skill in the art at the time the invention was made.

It is interesting to note that Applicant states that the references do not teach "**international** call back" while the term "international" does not appear in any claim and the term "call back" does not appear in claims 1 - 13. Applicant's arguments improperly imply that Applicant's claimed invention is the general and broad concept of "International Call Back".

It is noted that Applicant has failed to address many important issues in the previous Office action such as the apparent contradiction between the 131 declaration in this application and the 131 declaration in the parent appeal application.

On page 10, Applicant argues that if blue prints and sketches are required as evidence for swearing behind the reference(s), then blue prints and sketches should be required to use the reference(s) against the claimed invention. Examiner respectfully disagrees. There is sufficient evidence that the IDT machine has been used for providing actual services. Applicant has failed to provide sufficient evidence to support his alleged date of reduction to practice as discussed in detail above. Applicant also asks the Examiner to "point out where in the claims a router is called for". The "router" is mentioned in Applicant's declaration to support reducing the claimed invention to practice. If the "router" is not related to the claims (as now implied by Applicant), then why is it being relied upon in Applicant's declaration to support reduction to practice of the claimed invention? Clarification is required.

On page 10, in an apparent misunderstanding of Examiner's comments, Applicant states that Mr. Alleman is the inventor not Mr. Gunther or Call Interactive. Examiner never questioned the inventorship. Examiner questioned the date of "reduction to practice". Applicant's declaration explains that the reduction to practice involved asking Mr. Gunther to provide the needed software and asking Call Interactive to provide the needed hardware. Examiner is not speculating that Mr. Alleman asked Mr. Gunther for the needed software and Call Interactive for the needed hardware because this is what Applicant states in the declaration. Again, Examiner is not questioning the inventorship. Examiner is questioning the date the claimed invention was reduced to practice. Applicant is reminded that the proof of actual reduction to practice requires a showing that the apparatus actually existed and worked for its intended purpose.

On page 11, Applicant argues that the term "IDT" does not appear in his specification. However, the New York Times article cited in the specification is all about the IDT machine, its functions and its founder. Examiner agrees that Applicant is allowed to swear behind a prior art referenced in the specification, however, Applicant has failed to successfully do so as discussed in detail above.

On pages 11-12, Applicant's pure speculation that those who have been practicing "international call back" services are using Applicant's claimed invention is untenable and contrary to the Teleconnect Magazine and the International CallBack Book as discussed in detail above.

The amendment to claim 3, line 6 filed (8/28/97) has not been entered because there is no "calling party" on line 6.

Conclusion

11. The prior art made of record and not relied upon is considered pertinent to Applicant's disclosure.

Fuller et al (US Patent 4,893,335) discloses a remote access telephone control system 10 (Figs. 1 and 2). The reference teaches that the user can utilize the "money saver" feature (col. 13) provided by the system to make calls such as long distance calls from a pay phone via the system at the direct dial rates instead of pay phone rates. The user calls the system from a pay phone, enters a code and then the system will provide him with a dial tone to make outgoing calls through the system and pay direct dial rates.

Richardson, Jr. et al (US Patent 5,317,627) teaches the use of DNIS [DID] tables in order to provide various application after comparing the incoming DNIS [DID] number with prestored DNIS [DID] numbers.

Katz (US Patent 5,218,631) teaches that call are conditionally accepted based on a test of preliminary identification data ANI or DNIS.

The international Callback book, © 1995 discusses the history of the international callback market and states that IDT is one of the oldest international callback companies. While Examiner is now citing selected pages from the book, Examiner reserves the right to refer to and reproduce different pages from this book as needed during the prosecution of this application.

Yahoo Internet Search provides a lengthy list of some of the International Callback service providers.

Telephony (January 25, 1986) titled "Industry watch: New England telephone enhances Centrex..." which teaches that the Intellipath II provides automatic callback service and includes access to "code calling".

Part B: History of Prosecution

Request for interview of February 14, 1997.

In February 1997, Applicant phoned Examiner and requested an interview on February 14, 1997 for an application that was not filed yet and of course did not have a serial number and was not physically available for Examiner to consider. Applicant stated that because he was traveling From California to Florida, he wanted to have the interview on that particular day. Applicant stated that the application is a continuation of appeal application S.N. 08/252,984 and that a new attorney (not of record in the appeal case) will be conducting the interview and discussing new claims and new declarations[5]. Examiner did not agree to have the interview on February 14 because (1) the application has not been filed and processed by the PTO and has not been assigned a serial number (2) Examiner needed more time to review the issues in the appeal case, and (3) February 14 was Examiner's day off. After a lengthy explanation from Applicant, Examiner reluctantly, tentatively and conditionally agreed to have the interview if the application was filed and processed by the PTO and made physically available for consideration prior to February 14, 1997. Applicant agreed to call the Examiner a few days before February 14 to find out whether the application has been processed and whether or not the interview will take place. The application was not processed before February 14, 1997 and Applicant never called the Examiner. On February 14 (Examiner's day off), Applicant came to the PTO for an unscheduled interview and conducted the interview with SPE Zele. The interview summary had no serial number and was not officially entered until the application was completely processed in June 1997.

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[5]The record now shows that application was filed (apparently hand delivered) on February 12, 1997. That is two days prior to February 14, 1997.

Actual interview on February 14, 1997.

No specific agreements or conclusions on any specific art rejection(s) were reached. In the interview summary, Examiner Zele states that the 131 declaration lacks evidence and facts.

• The non-special application was processed and made available to Examiner in June 1997. The application was made special on 7/21/97 and an office action was prepared, processed and mailed by 8/29/97. No action could have been taken before the application was properly processed. Applicant's petition to make special was filed before the application was processed, without a serial number and without the supporting Exhibit. The declaration was matched with the parent appeal application. Applicant's papers were incomplete and improper (e.g., Applicant filed 131 declaration without the supporting exhibits and also filed an improper preliminary amendment). Again, the office action was prepared, processed and mailed by 8/29/97 which is very reasonable under the circumstances created by Applicant. Anyhow, the "History of Prosecution" does not affect the objections and rejections in the Office action. Examiner never refused to cooperate with Applicant. Examiner could not have acted on a case that was not physically available even if Examiner had some incomplete and improper courtesy copies that were hand delivered to Examiner before the application was processed. Also, in August, when Examiner was searching and evaluating the close prior art references, Applicant phoned Examiner and asked a premature question regarding which references Examiner was "going to" apply. Examiner had no answer because Examiner was still evaluating the references. Applicant improperly states that Examiner "refused" to tell Applicant about the reference(s).

• On August 5, 1997, Applicant was in the Washington, D.C. area and actually talked to Examiner once and asked if there was "anything he could do" while he was in the area to expedite the prosecution. Examiner stated (see interview summary on 8/5/97) that he needed the exhibits referenced in the 131 declaration but were not filed. Applicant stated that he would fax the

exhibits when he travels back to California. Looking now at Applicant's comments on page 5 of Applicant's response filed 9/8/97, it appears that Applicant may have wished to have a second interview before examination, however, Applicant never requested one. Applicant's statement that he "asked **twice** for the opportunity to discuss the case" is not quite correct. Examiner only talked to Applicant once. Leaving a recorded message on Examiner's voice mail asking if there was "anything he could do" should not be interpreted as a "request for interview" and refusal by Examiner "to see" Applicant. Applicant appears to believe that multiple interviews, before examination and before the first office action should be granted based on Applicant's traveling activities!

- Regarding the amendment filed 8/28/97, the manner in which the claims were amended confused the Examiner. For example, claims 18-20 should have been amended by using the needed underlines and brackets to show exactly how the claims were amended. Further, Claim 18, for example, should have been recited as --Claim 18 (**once amended**)--. Since Applicant did not follow the proper procedure, Examiner assumed that the claims have not been changed. By comparing the claims now, it appears that the claims are very different and the appropriate procedure for Applicant would have been to cancel claims 18-20 and add new claims. Also, during the telephone interview on 8/26/97, Applicant stated that he would correct the errors pointed out by Examiner (e.g., remove the underlines from claims 18-20) and never indicated that he would change the scope of the claims that have not been examined yet. Since Examiner did not examine "new" claims 18-20, this office action is not made final

In conclusion, if there were any delay in the prosection, it would have been as a direct result of Applicant's practices which include filing papers without the application serial number and before an application is processed, filing 131 declaration without the supporting exhibits, filing a petition to make special without the supporting exhibits, filing an improper amendment

and also filing duplicates of Applicant's papers by using mail, fax and hand delivery. Processing duplicate papers does not help expedite the prosecution.

12. **Any response to this final action should be mailed to:**
Commissioner of Patents and Trademarks
Washington, D.C. 20231
or faxed to:
(703) 308-9051, (for formal communications; please mark "EXPEDITED PROCEDURE")
Or:
(703) 308-5403, (for informal or draft communications, please label "PROPOSED" or "DRAFT")

Hand-delivered responses should be brought to Crystal Park II, 2021 Crystal Drive, Arlington. VA., Sixth Floor (Receptionist).

13. Communications via Internet e-mail regarding this application, other than those under 35 U.S.C. 132 or which otherwise require a signature, may be used by the Applicant and should be addressed to [**krista.zele@uspto.gov**].

All Internet e-mail communications will be made of record in the application file. PTO employees do not engage in Internet communications where there exists a possibility that sensitive information could be identified or exchanged unless the record includes a properly signed express waiver of the confidentiality requirements of 35 U.S.C. 122. This is more clearly set forth in the Interim Internet Usage Policy published in the Official Gazette of the Patent and Trademark on February 25, 1997 at 1195 OG 89.

14. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Examiner Ahmad Matar whose telephone number is (703) 305-4731.

Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 305-3900.

Ahmad F. Matar

Ahmad F. Matar
Primary Patent Examiner
Group Art Unit 2601